

MEDIA RELEASE

**Attention: News Director
For Immediate Release
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**U.S. DEPARTMENT OF JUSTICE
DAVID L. HUBER
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Western District of Kentucky**

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**GUILTY VERDICT RETURNED IN CONSPIRACY
TO DEFRAUD FRUIT OF THE LOOM OF APPROXIMATELY \$280,000**

***– Former Merchandising Director previously pleaded guilty to the charges
and testified against co-defendants***

David L. Huber, United States Attorney for the Western District of Kentucky, announced today that **ALLEN V. OSBORNE d/b/a TALENT SERVICES CORPORATION**, age 40, of Santa Clarita, California, and **KEVIN S. SCHEPMAN d/b/a BLUE STEEL GROUP, LTD.**, age 36, of Columbus, Ohio, were **found guilty** by a federal jury in United States District Court, Bowling Green, Kentucky, of one count of conspiracy to commit mail fraud.

The jury's verdict of guilty was returned following a five-day trial before Thomas B. Russell, Judge, United States District Court.

Co-defendant David Michael Wilson pleaded guilty to the charges on May 17, 2006, and is scheduled to be sentenced before Judge Russell on January 3, 2007, at 11:30 a.m. (CST) in Bowling Green, Kentucky.

Wilson testified that between December 2000 and December 2003, while employed as the director of trade show merchandising for Fruit of the Loom, he perpetrated a fraud scheme on the company which caused Fruit of the Loom to lose approximately \$280,000. As a part of the scheme, Wilson, utilizing his position of authority and responsibility with Fruit of the Loom, knowingly and fraudulently approved invoices which he knew contained charges for modeling services purportedly

supplied by **Osborne** and **Schepman** to trade shows and open houses in which Fruit of the Loom was a participant, which services Wilson testified he knew were never furnished. Fruit of the Loom paid in full for the fraudulent charges based upon Wilson's authorization, and the proceeds of the fraudulent scheme were split and shared among the defendants.

To accomplish their fraudulent scheme, **Osborne** and **Schepman** used companies that they had set up to submit invoices for modeling services and Wilson would approve the invoices for payment. The proceeds were then used to have the male models serve as companions for co-defendant Michael Wilson, to take trips and other non-business expenditures. The invoices were passed through another company to cover the scheme up.

The maximum potential penalty for the conspiracy to commit mail fraud is 5 years imprisonment, a \$250,000 fine, and supervised release for a period of 3 years.

The case was prosecuted by Assistant United States Attorneys James R. Lesousky and David Weiser and was investigated by the Federal Bureau of Investigation.

Osborne and **Schepman** are scheduled to be sentenced before Judge Russell on March 8, 2007, at 11:30 a.m. CST, in Bowling Green, Kentucky.

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